U1245-3

SERVICE SECTOR INDICATORS

C I B C R

Center for International Business Cycle Research
Uris Hall, Columbia University, New York, New York 10027 (212) 280-2916

Dr. Geoffrey H. Moore, Director

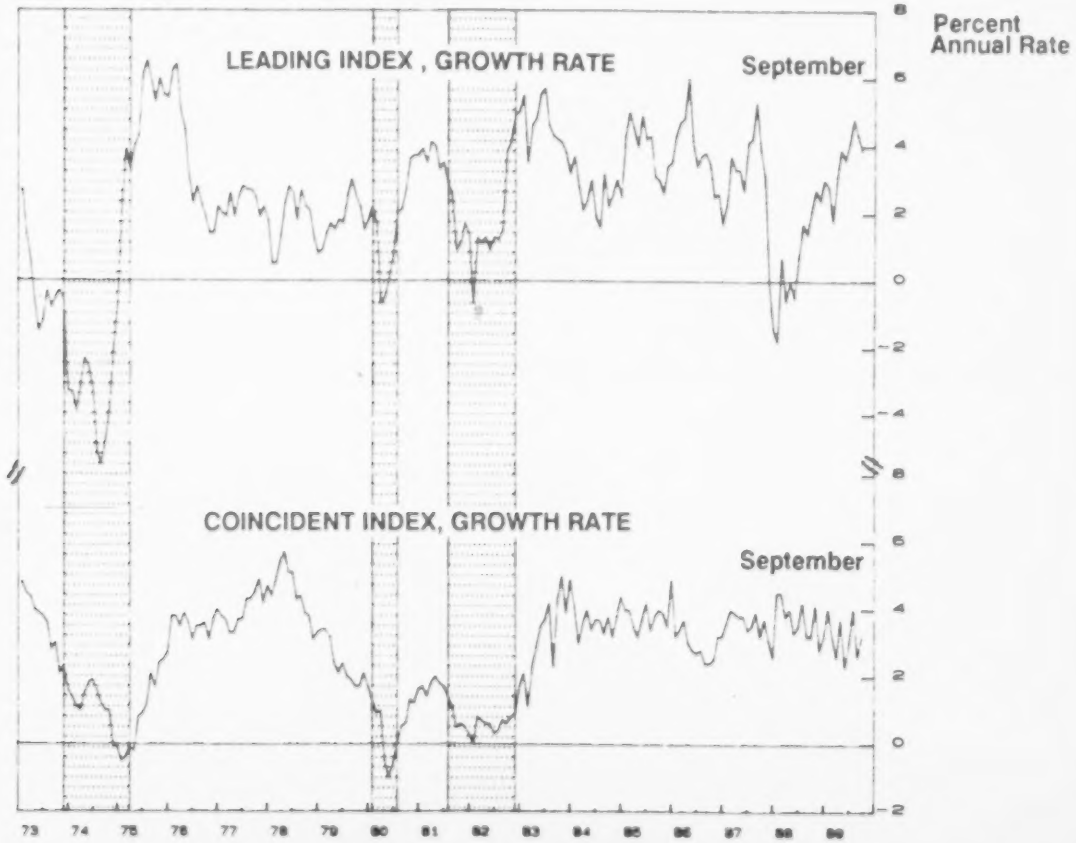
October 1989

SERVICE SECTOR GROWTH CONTINUES

The leading index of service sector activity rose very marginally in September while its smoothed annualized growth rate fell to 3.9%. The index was pushed up by a climb in construction contracts for commercial buildings, along with small rises in the average workweek and stock prices in the service sector. These rises were offset by a drop in profit margins in the service sector.

The coincident index of service sector activity rose in September, while its annualized growth rate climbed to 3.2%. The index was pushed up by rises in personal consumption expenditures, labor income, and employee hours in the service sector.

Thus, the prospects for continued growth in the service sector appear to be good.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index (1967=100)*	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
Jan.	147.2	-1.8	32.84	746r	82.3	111.7
Feb.	149.3	0.7	32.98	912r	86.0	113.5
Mar.	148.4	-0.6	32.69	825	87.5	113.4
Apr.	149.0	0.0	32.93	822r	85.3	112.6
May	148.6	-0.5	32.78	817r	83.0	112.8
June	149.7	0.7	32.82	807r	89.2	113.5
July	150.5	1.7	33.00	838r	88.7	113.1
Aug.	150.3r	1.4r	32.76	864r	87.9	114.2
Sept.	150.8	2.1	32.88	805r	91.0	113.4
Oct.	151.3r	2.7r	32.96	768r	94.3	112.5
Nov.	151.2	2.4r	32.77	791r	91.7	114.3
Dec.	151.9	3.0	32.91	801r	92.9	113.8
1989:						
Jan.	152.1r	2.8r	32.95	871r	95.2	111.6
Feb.	151.7	1.8	32.75	667r	98.7	113.0
Mar.	153.0r	3.1r	32.81	781r	98.5	114.6
Apr.	154.0r	3.9r	33.07	773r	102.5	113.1
May	154.2	3.6r	32.75	802r	108.0	114.8
June	155.1r	4.1r	32.76	854r	111.6	115.4r
July	156.1r	4.8r	33.03	797r	116.5	113.9r
Aug.	156.2r	4.3r	32.71r	742	121.9	116.6r
Sept.	156.3	3.9	32.78	819	122.1	114.5

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
Jan.	181.0	4.5	1844.4	1263.5	667.3	106.6
Feb.	181.6	4.5	1854.1	1264.7	666.2	107.6
Mar.	181.5	3.8	1856.9	1269.5	664.6	107.0
Apr.	182.2	4.0	1859.7	1269.1	668.5	108.1
May	182.1	3.3	1862.5	1270.8	667.0	107.8
June	182.8	3.5	1868.6	1278.6	667.0	108.5
July	184.0	4.2	1874.7	1283.9	672.2	109.7
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	674.2	109.2
Oct.	185.6	4.1	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.2	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.5	2.3	1919.9	1318.4	681.4	111.5
June	188.7r	3.0r	1923.8	1322.9	691.8	112.2
July	190.1r	4.0r	1927.7	1326.4r	702.4r	113.2r
Aug.	189.3r	2.6r	1931.6	1333.4r	691.7r	112.3r
Sept.	190.3	3.2	---	1337.6	698.3	112.6

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Cols. 1, 2 and 4 are revised because of revisions in Construction Contracts.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

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11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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C I B C R

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
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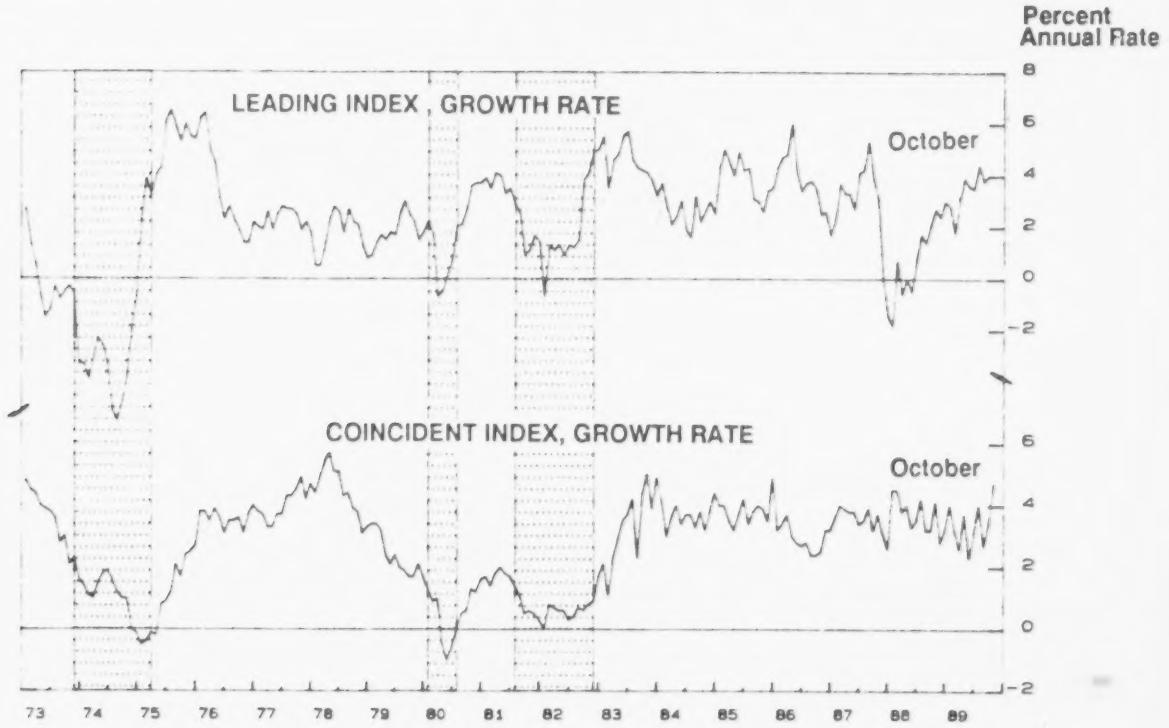
Dr. Geoffrey H. Moore, Director

November 1989

NO SLOWDOWN IN THE SERVICE SECTOR

The leading index of service sector activity recorded a 4.0% growth rate in October, while the coincident index growth rate moved up to 4.7%. "No slowdown is apparent yet in the service sector, despite the weakness in manufacturing," observed Dr. Geoffrey H. Moore, Director of the Columbia Business School's Center for International Business Cycle Research.

Two of the four components of the leading index rose in October, namely the average workweek and stock prices for service companies. Declines occurred in contracts for commercial buildings and in the index of profit margins. In the coincident index only three of the four components were available for October, but all showed an increase from September, bringing the index to a new high.



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LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index (1967=100)*	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
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Apr.	149.0	0.0	32.93	822	85.3	112.6
May	148.6	-0.5	32.78	817	83.0	112.8
June	149.7	0.7	32.82	807	89.2	113.5
July	150.5	1.7	33.00	838	88.7	113.1
Aug.	150.3	1.4	32.76	864	87.9	114.2
Sept.	150.8	2.1	32.88	805	91.0	113.4
Oct.	151.3	2.7	32.96	768	94.3	112.5
Nov.	151.2	2.4	32.77	791	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
1989:						
Jan.	152.1	2.8	32.95	871	95.2	111.6
Feb.	151.7	1.8	32.75	667	98.7	113.0
Mar.	153.0	3.1	32.81	781	98.5	114.6
Apr.	154.0	3.9	33.07	773	102.5	113.1
May	154.2	3.6	32.75	802	108.0	114.8
June	154.6r	3.5r	32.76	854	111.6	113.6r
July	155.7r	4.4r	33.03	797	116.5	112.7r
Aug.	155.7r	3.8r	32.72r	742	121.9	114.9r
Sept.	156.3	4.0r	32.82r	819	122.1	113.9r
Oct.	156.8	4.0	33.00	795	122.6	112.7

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
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June	182.8	3.5	1868.6	1278.6	667.0	108.5
July	184.0	4.2	1874.7	1283.9	672.2	109.7
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	674.2	109.2
Oct.	185.6	4.1	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.2	1899.5	1295.5	678.5	110.8
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Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.5	2.3	1919.9	1318.4	681.4	111.5
June	188.8r	3.1r	1925.3r	1322.9	691.8	112.2
July	190.2r	4.0	1930.8r	1327.4r	702.4r	113.2
Aug.	189.4r	2.7r	1936.2r	1334.2r	692.2r	112.2r
Sept.	190.6r	3.4r	---	1338.4r	699.6r	112.8r
Oct.	192.4	4.7	---	1345.1	710.0	113.8

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.
r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.
4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adusted by CIBCR.
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SERVICE SECTOR INDICATORS

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Uris Hall, Columbia University, New York, New York 10027 (212) 280-2916

Dr. Geoffrey H. Moore, Director

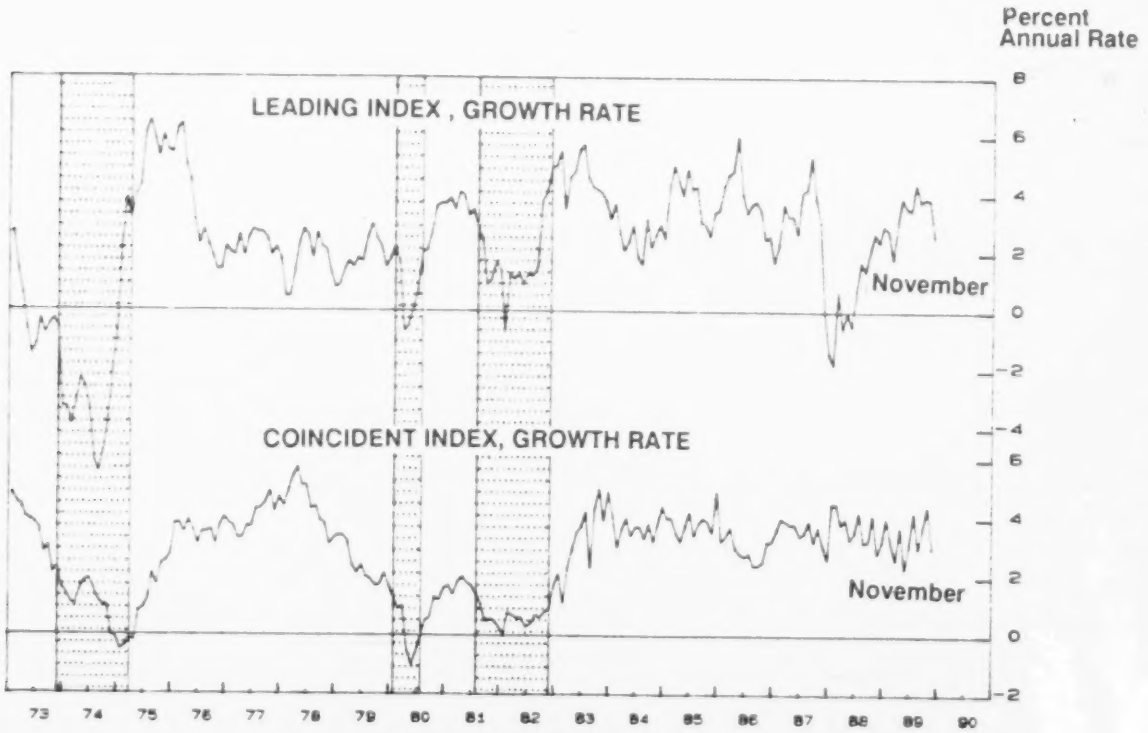
December 1989

SERVICE SECTOR INDEXES FALL

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, fell in November, pulling its smoothed annualized growth rate down from a revised 3.9% in October to 2.6% in November. This was due to drops in three of its four components, namely, construction contracts for commercial buildings, as well as the average workweek and stock prices in the service sector. A rise in profit margins in the service sector partly offset this downward pressure.

The coincident index of service sector activity also fell, while its smoothed annualized growth rate dropped from a revised 4.4% in October to 3.0% in November. The decline was caused by drops in employee hours and labor income in services, offset by a small rise in personal consumption expenditures in the service sector.

While these indicators highlight some areas of weakness in the service sector, they do not add up, as yet, to any imminent slowdown in service activity.



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July	150.5	1.7	33.00	838	88.7	113.1
Aug.	150.3	1.4	32.76	864	87.9	114.2
Sept.	150.8	2.1	32.88	805	91.0	113.4
Oct.	151.3	2.7	32.96	768	94.3	112.5
Nov.	151.2	2.4	32.77	791	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
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Mar.	153.0	3.1	32.81	781	98.5	114.6
Apr.	154.0	3.9	33.07	773	102.5	113.1
May	154.2	3.6	32.75	802	108.0	114.8
June	154.6	3.5	32.76	854	111.6	113.6
July	155.7	4.4	33.03	797	116.5	112.7
Aug.	155.7	3.8	32.72	742	121.9	114.8r
Sept.	156.2r	3.9r	32.81r	819	122.1	113.5r
Oct.	156.7r	3.9r	32.96r	795	122.6	112.9r
Nov.	156.1	2.6	32.76	661	120.1	114.4

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
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Apr.	182.2	4.0	1859.7	1269.1	668.5	108.1
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June	182.8	3.5	1868.6	1278.6	667.0	108.5
July	184.0	4.2	1874.7	1283.9	672.2	109.7
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	674.2	109.2
Oct.	185.6	4.1	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.2	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.5	2.3	1919.9	1318.4	681.4	111.5
June	188.8	3.1	1928.3r	1322.9	691.8	112.2
July	190.4r	4.2r	1936.6r	1327.4	702.4	113.2
Aug.	189.7r	3.0r	1945.0r	1334.2	692.2	112.2
Sept.	190.9r	3.7r	---	1338.4	700.4r	112.8
Oct.	192.2r	4.4r	---	1343.6r	706.5r	113.6r
Nov.	191.3	3.0	---	1347.7	697.0	113.4

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

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Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

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SERVICE SECTOR INDICATORS

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Dr. Geoffrey H. Moore, Director

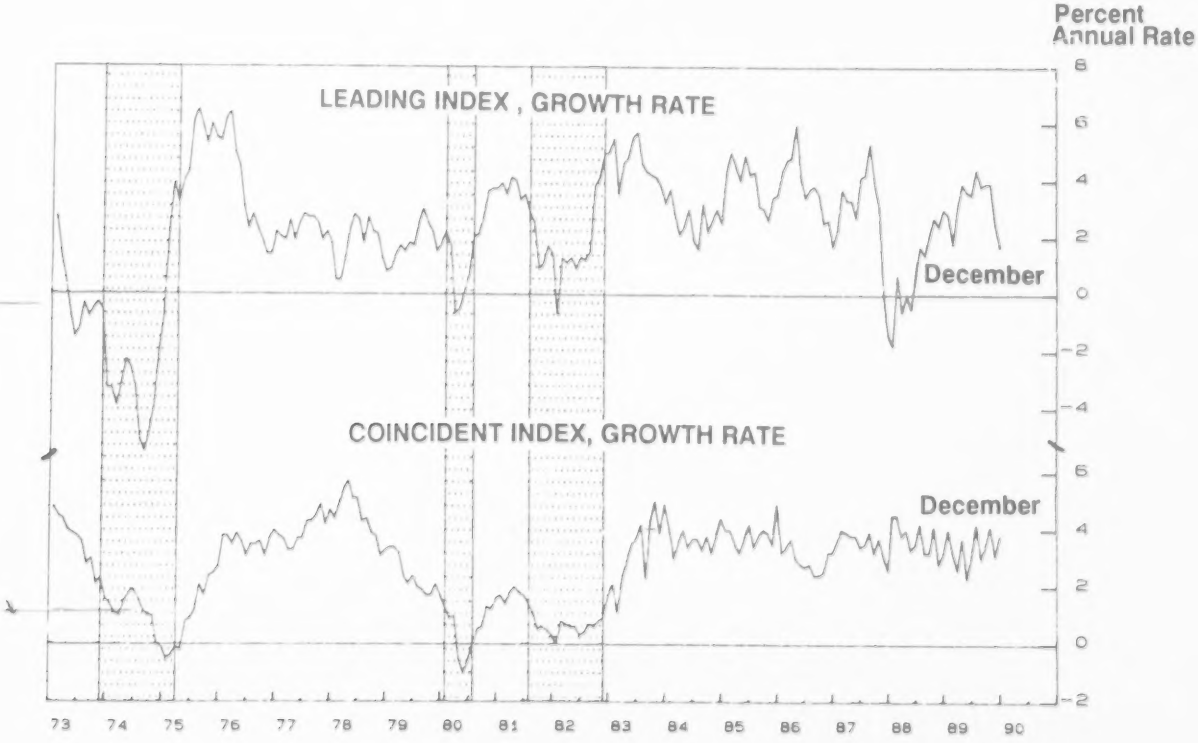
January 1990

WEAKNESS AHEAD IN SERVICE SECTOR

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, fell again in December, lowering its smoothed annualized growth rate from a revised 2.5% in November to just 1.7% in December. The drop was due to a fall in construction contracts for commercial buildings, in the average workweek and profit margins in the service sector, offset in part by a small rise in stock prices in services.

However, the coincident index of service sector activity rose, while its smoothed annualized growth rate climbed from a revised 3.1% in November to 3.8% in December. This advance reflects earlier strength in the services leading index, and was caused by rises in personal consumption expenditures, employee hours and labor income in services.

With the growth rate of the services leading index down substantially from its July high of 4.4%, a slowdown in the growth of service sector activity in the near term now appears likely.



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Nov.	156.0r	2.5r	32.74r	661	120.1	114.3r
Dec.	155.7	1.7	32.68	652	120.6	113.2

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

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Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.5	2.3	1919.9	1318.4	681.4	111.5
June	188.8	3.1	1928.3	1322.9	691.8	112.2
July	190.4	4.2	1936.6	1327.4	702.4	113.2
Aug.	189.7	3.0	1945.0	1334.2	692.2	112.2
Sept.	190.7r	3.5r	1952.0	1337.7r	700.4	112.8
Oct.	191.9r	4.1r	1958.9	1345.0r	705.7r	113.6
Nov.	191.4r	3.1r	1965.9	1346.9r	697.7r	113.3r
Dec.	192.7	3.8	---	1359.0	705.2	113.4

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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CIBCR

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

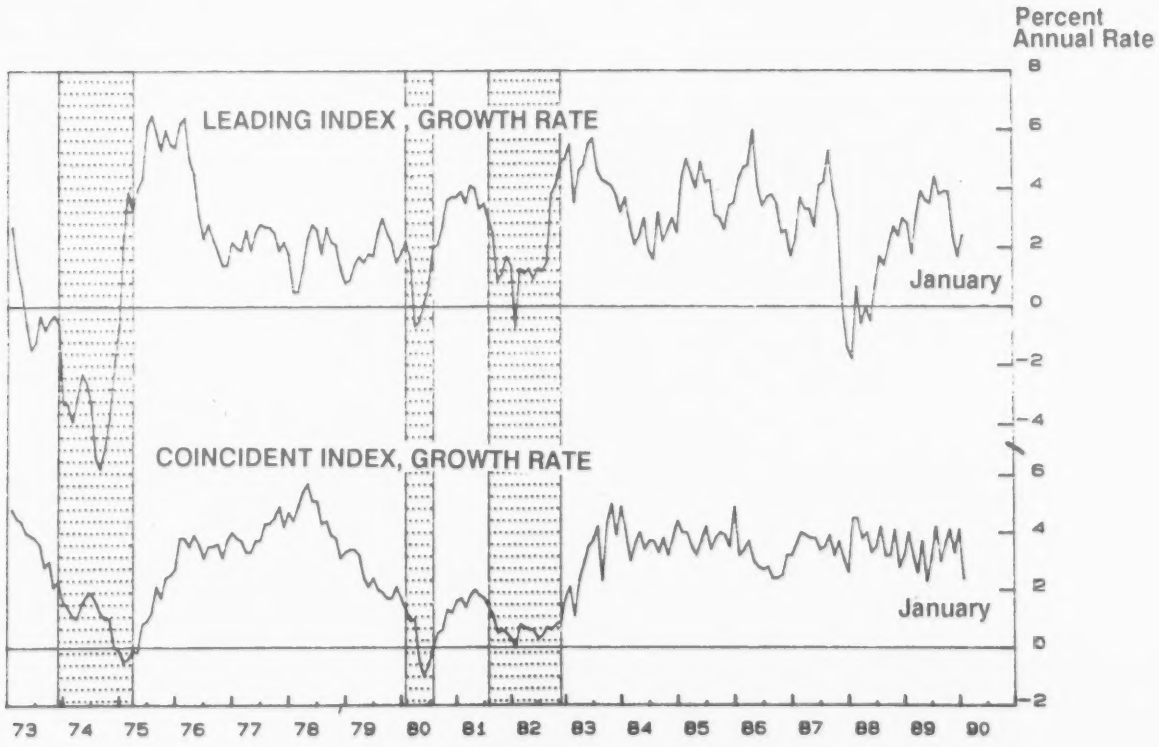
Dr. Geoffrey H. Moore, Director

February 1990

SERVICES LEADING INDEX RECOVERS A BIT

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, recovered a bit in January, raising its annualized growth rate from 1.7% in December to 2.4% in January. Contributing to the advance were a rise in the index of profit margins in services and a jump in the usually volatile construction contracts for commercial buildings. These were offset in part by a drop in stock prices for services, while the average workweek in services stayed virtually unchanged.

However, the coincident index of service sector activity fell, dragging its annualized growth rate down from a revised 4.1% in December to 2.4% in January. The decline was caused by drops in labor income and personal consumption expenditures in services, offset in part by a rise in employee hours in the service sector.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
July	150.5	1.7	33.00	838	88.7	113.1
Aug.	150.3	1.4	32.76	864	87.9	114.2
Sept.	150.8	2.1	32.88	805	91.0	113.4
Oct.	151.3	2.7	32.96	768	94.3	112.5
Nov.	151.2	2.4	32.77	791	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
1989:						
Jan.	152.1	2.8	32.95	871	95.2	111.6
Feb.	151.7	1.8	32.75	667	98.7	113.0
Mar.	153.0	3.1	32.81	781	98.5	114.6
Apr.	154.0	3.9	33.07	773	102.5	113.1
May	154.2	3.6	32.75	802	108.0	114.8
June	154.6	3.5	32.76	854	111.6	113.6
July	155.7	4.4	33.03	797	116.5	112.7
Aug.	155.7	3.8	32.72	742	121.9	114.8
Sept.	156.2	3.9	32.81	819	122.1	113.6
Oct.	156.7	3.9	32.95	795	122.6	113.0
Nov.	155.9r	2.4r	32.74	661	120.1	114.1r
Dec.	155.7	1.7	32.72r	652	120.6	112.7r
1990:						
Jan.	156.6	2.4	32.74	770	116.5	114.2

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
July	184.0	4.2	1874.7	1283.9	672.2	109.7
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	674.2	109.2
Oct.	185.6	4.1	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.2	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.5	2.3	1919.9	1318.4	681.4	111.5
June	188.8	3.1	1928.3	1322.9	691.8	112.2
July	190.4	4.2	1936.6	1327.4	702.4	113.2
Aug.	189.7	3.0	1945.0	1334.2	692.2	112.2
Sept.	190.8r	3.6r	1952.6r	1337.7	700.4	112.8
Oct.	191.9	4.1	1960.3r	1344.7r	705.7	113.6
Nov.	191.6r	3.3r	1967.5r	1348.2r	698.2r	113.4r
Dec.	193.0r	4.1r	---	1360.7r	706.7r	113.5r
1990:						
Jan.	191.9	2.4	---	1347.9	694.7	114.6

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

Dr. Geoffrey H. Moore, Director

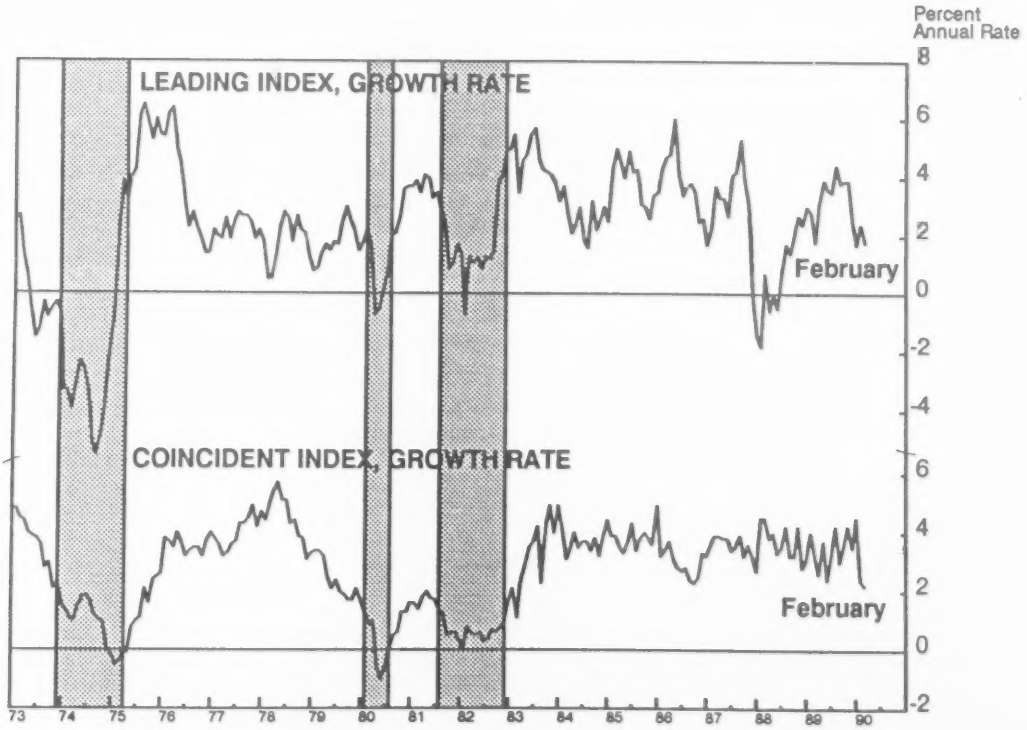
March 1990

SERVICES LEADING INDEX SAGS

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, edged down in February, lowering its annualized growth rate from 2.4% in January to 1.8% for February. The decline was caused by big drops in construction contracts for commercial buildings and stock prices for services, offset in part by rises in the index of profit margins and the average workweek in the service sector.

The coincident index of service sector activity was up marginally, but at a lower annualized growth rate of 2.2%, down from 2.4% in January. The sluggishness was caused by a drop in services labor income, offset by rises in personal consumption expenditures and employee hours in services.

Given the continued weakness in manufacturing and the magnitude of the decline in the growth rate of the services leading index from its July high, a weaker economy seems to be in the cards.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
July	150.5	1.7	33.00	838	88.7	113.1
Aug.	150.3	1.4	32.76	864	87.9	114.2
Sept.	150.8	2.1	32.88	805	91.0	113.4
Oct.	151.3	2.7	32.96	768	94.3	112.5
Nov.	151.2	2.4	32.77	791	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
1989:						
Jan.	152.1	2.8	32.95	871	95.2	111.6
Feb.	151.7	1.8	32.75	667	98.7	113.0
Mar.	153.0	3.1	32.81	781	98.5	114.6
Apr.	154.0	3.9	33.07	773	102.5	113.1
May	154.2	3.6	32.75	802	108.0	114.8
June	154.6	3.5	32.76	854	111.6	113.6
July	155.7	4.4	33.03	797	116.5	112.7
Aug.	155.7	3.8	32.72	742	121.9	114.8
Sept.	156.2	3.9	32.81	819	122.1	113.6
Oct.	156.7	3.9	32.95	795	122.6	113.0
Nov.	155.9	2.4	32.74	661	120.1	114.1
Dec.	155.7	1.7	32.73r	652	120.6	112.6r
1990:						
Jan.	156.6	2.4	32.69r	770	116.5	114.8r
Feb.	156.5	1.8	32.81	600	112.1	115.5

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
July	184.0	4.2	1874.7	1283.9	672.2	109.7
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	673.6r	109.2
Oct.	185.7r	4.2r	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.1r	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.6r	2.4r	1919.9	1318.4	682.5r	111.5
June	188.9r	3.2r	1928.3	1322.9	692.4r	112.2
July	190.4	4.2	1936.6	1327.4	702.4	113.2
Aug.	189.7	3.0	1945.0	1334.2	692.2	112.2
Sept.	190.8	3.6	1954.5r	1337.7	699.8r	112.8
Oct.	192.0r	4.2r	1964.0r	1344.8r	705.1r	113.6
Nov.	191.8r	3.5r	1973.5r	1350.7r	698.2	113.4
Dec.	193.4r	4.5r	---	1361.2r	707.9r	113.9r
1990:						
Jan.	192.0r	2.4	---	1350.1r	693.9r	114.6
Feb.	192.2	2.2	---	1360.3	690.2	114.7

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.
Cols. 7, 8 and 11 are revised because of a revised seasonal adjustment in the deflator for Services Labor Income.
r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.
4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.
5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.
6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.
9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.
11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.
12. Bureau of Labor Statistics, all employees.

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C I B C R

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

Dr. Geoffrey H. Moore, Director

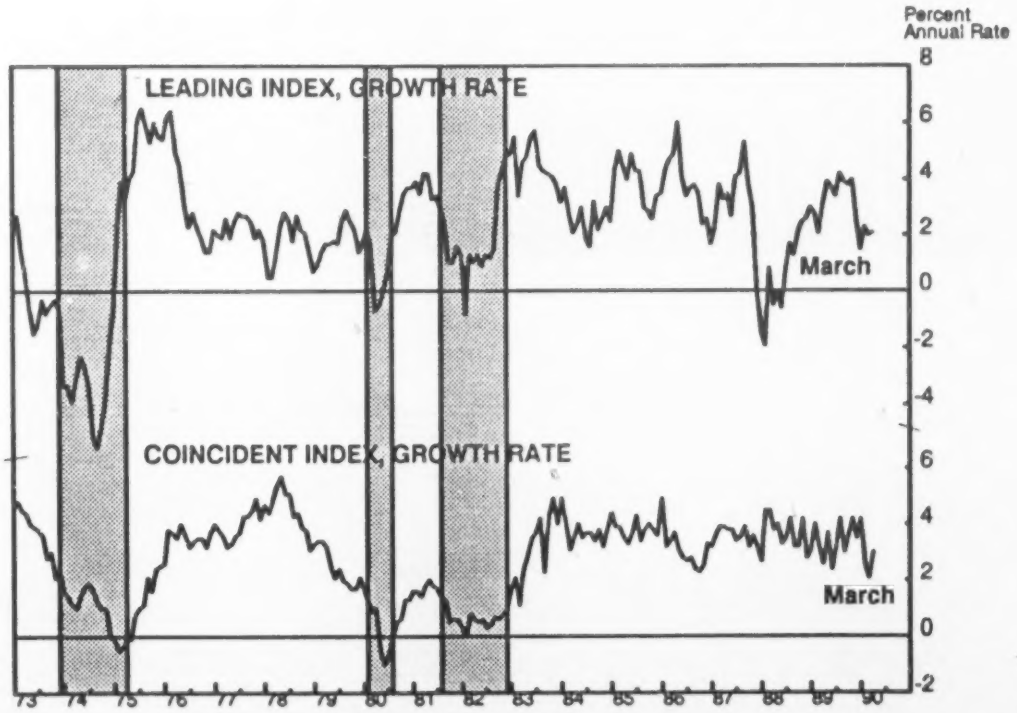
April 1990

SERVICES LEADING INDEX RISES SLIGHTLY

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, rose just half a point in March, while its annualized growth rate inched up from a revised 2.0% in February to 2.1% in March. The rise was caused by advances in construction contracts for commercial buildings and in the average workweek and stock prices in services, offset by a drop in the index of profit margins in the service sector.

The coincident index of service sector activity was also up, raising its annualized growth rate from a revised 2.1% in February to 3.0% in March. The rise was caused by advances in all available components – employee hours, labor income, and personal consumption expenditures in services.

Thus, growth in the service sector seems slated to continue, if at a more subdued pace than in recent years.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
Aug.	150.3	1.3r	32.76	859r	87.9	114.2
Sept.	150.8	2.1	32.88	789r	91.0	113.4
Oct.	151.2r	2.5r	32.96	755r	94.3	112.5
Nov.	151.3r	2.6r	32.77	802r	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
1989:						
Jan.	152.1	2.8	32.95	880r	95.2	111.6
Feb.	152.0r	2.1r	32.75	742r	98.7	113.0
Mar.	153.0	3.1	32.81	782r	98.5	114.6
Apr.	154.0	3.9	33.07	766r	102.5	113.1
May	154.3r	3.7r	32.75	810r	108.0	114.8
June	154.5r	3.4r	32.76	838r	111.6	113.6
July	155.6r	4.2r	33.03	780r	116.5	112.7
Aug.	155.8r	3.9r	32.72	779r	121.9	114.8
Sept.	156.2	3.8r	32.81	819	122.1	113.6
Oct.	156.8r	4.0r	32.95	809r	122.6	113.0
Nov.	156.1r	2.6r	32.74	717r	120.1	114.1
Dec.	155.6r	1.5r	32.73	636r	120.6	112.6
1990:						
Jan.	156.6	2.3r	32.69	785r	116.5	114.8
Feb.	156.7r	2.0r	32.80r	651r	112.1	115.7r
Mar.	157.2	2.1	32.84	672	114.6	115.1

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	673.6	109.2
Oct.	185.7	4.2	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.1	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.6	2.4	1919.9	1318.4	682.5	111.5
June	188.9	3.2	1928.3	1322.9	692.4	112.2
July	190.4	4.2	1936.6	1327.3r	702.4	113.2
Aug.	189.7	3.0	1945.0	1333.8r	692.2	112.2
Sept.	190.8	3.6	1954.5	1337.7	699.8	112.8
Oct.	192.0	4.2	1964.0	1344.8	705.1	113.6
Nov.	191.8	3.5	1973.5	1350.7	698.2	113.4
Dec.	193.1r	4.2r	1974.9	1361.2	707.9	113.9
1990:						
Jan.	192.1r	2.6r	1976.3	1351.5r	694.7r	114.6
Feb.	192.0r	2.1r	1977.7	1361.4r	690.5r	114.1r
Mar.	193.4	3.0r	---	1369.4	697.2	114.9

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.
Cols. 1, 2 and 4 are revised because of a revision in Construction Contracts.
r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.
4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.
5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.
6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.
9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.
11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.
12. Bureau of Labor Statistics, all employees.

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U1245-3

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

Dr. Geoffrey H. Moore, Director

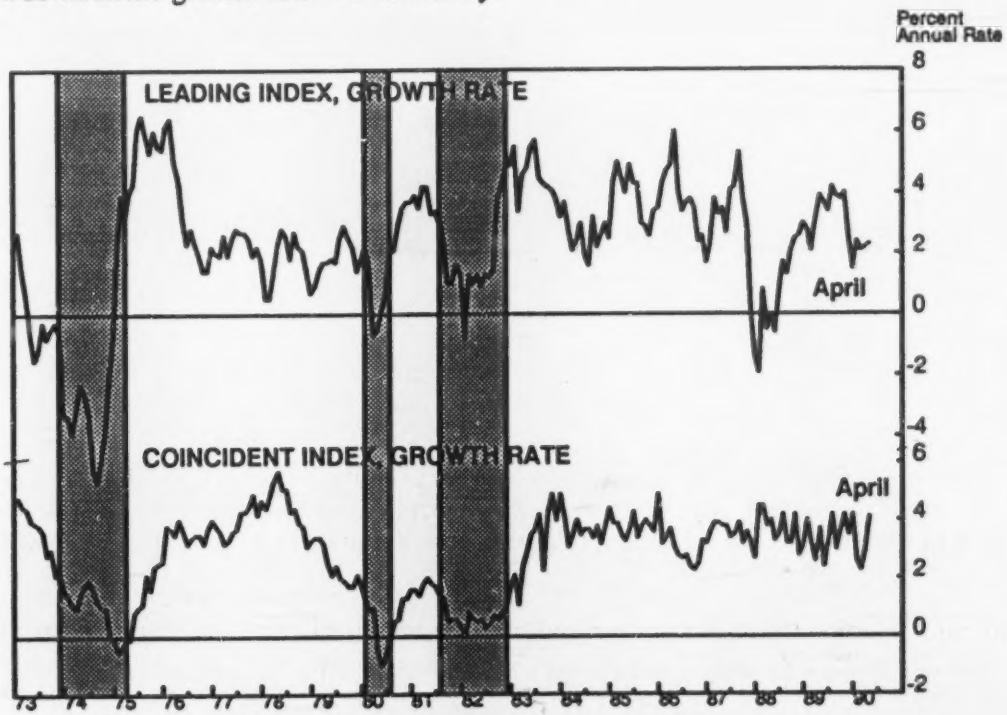
May 1990

SMALL RISE IN SERVICES LEADING INDEX

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, rose just four-tenths of a point in April, while its annualized growth rate edged up from a revised 2.2% in March to 2.3% in April. The rise was caused by an increase in the average workweek in services, offset in part by drops in construction contracts for commercial buildings and stock prices in the service sector.

Meanwhile, the coincident index of service sector activity rose nearly two points, raising its annualized growth rate from 3.0% in March to 4.1% in April. The rise was caused by advances in all available components for the second straight month – employee hours, labor income, and personal consumption expenditures in services.

Thus, the growth rate of the services leading index, though modest, is not low enough to suggest any marked slowdown in the growth of services activity.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
Aug.	150.3	1.3	32.76	859	87.9	114.2
Sept.	150.8	2.1	32.88	789	91.0	113.4
Oct.	151.2	2.5	32.96	755	94.3	112.5
Nov.	151.3	2.6	32.77	802	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
1989:						
Jan.	152.1	2.8	32.95	880	95.2	111.6
Feb.	152.0	2.1	32.75	742	98.7	113.0
Mar.	153.0	3.1	32.81	782	98.5	114.6
Apr.	154.0	3.9	33.07	766	102.5	113.1
May	154.3	3.7	32.75	810	108.0	114.8
June	154.5	3.4	32.76	838	111.6	113.6
July	155.6	4.2	33.03	780	116.5	112.7
Aug.	155.8	3.9	32.72	779	121.9	114.8
Sept.	156.2	3.8	32.81	819	122.1	113.6
Oct.	156.8	4.0	32.95	809	122.6	113.0
Nov.	156.1	2.6	32.74	717	120.1	114.1
Dec.	155.6	1.5	32.73	636	120.6	112.6
1990:						
Jan.	156.7r	2.4r	32.69	785	116.5	114.9r
Feb.	156.8r	2.1r	32.81r	651	112.1	115.6r
Mar.	157.3r	2.2r	32.86r	672	114.6	114.9r
Apr.	157.7	2.3	32.96	636	113.8	---

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	673.6	109.2
Oct.	185.7	4.2	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.1	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.6	2.4	1919.9	1318.4	682.5	111.5
June	188.9	3.2	1928.3	1322.9	692.4	112.2
July	190.4	4.2	1936.6	1327.3	702.4	113.2
Aug.	189.7	3.0	1945.0	1333.8	692.2	112.2
Sept.	190.8	3.6	1954.5	1337.7	699.8	112.8
Oct.	192.0	4.2	1964.0	1344.8	705.1	113.6
Nov.	191.8	3.5	1973.5	1350.7	698.2	113.4
Dec.	193.1	4.2	1974.6r	1361.2	707.9	113.9
1990:						
Jan.	192.1	2.6	1975.7r	1350.7r	694.7	114.6
Feb.	192.2r	2.3r	1976.8r	1361.1r	691.0r	114.6r
Mar.	193.4	3.0	---	1368.3r	698.2r	114.9
Apr.	195.1	4.1	---	1374.6r	708.4	115.7

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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41245-3

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

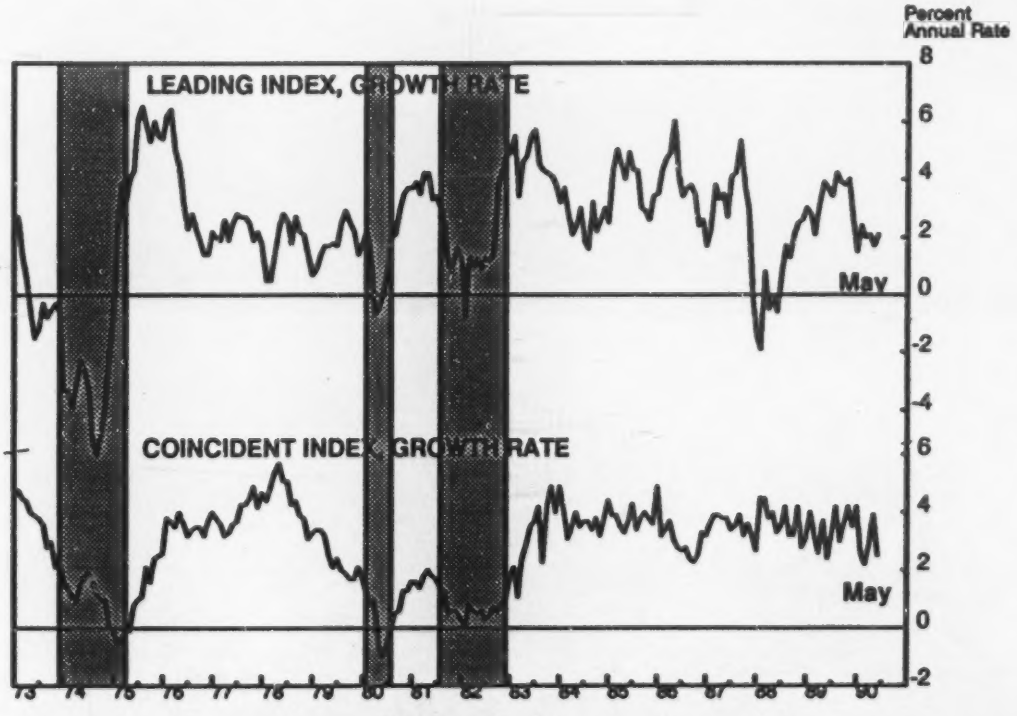
Dr. Geoffrey H. Moore, Director **June 1990**

SERVICES LEADING INDEX INCHES UP

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, rose six-tenths of a point in May, while its annualized growth rate rose from a revised 1.7% in April to a modest 2.1% in May. The rise was caused by increases in construction contracts for commercial buildings and stock prices in the service sector, offset by a drop in the average workweek in services.

However, the coincident index of service sector activity fell almost a point in May, pulling its smoothed annualized growth rate down from a revised 3.9% in April to 2.5% in May. This fall was caused by declines in employee hours and labor income in services, offset by a rise in personal consumption expenditures in the service sector.

Thus, the outlook for the service sector continues to be one of modest growth in the months ahead.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
Aug.	150.3	1.3	32.76	859	87.9	114.2
Sept.	150.8	2.1	32.88	789	91.0	113.4
Oct.	151.2	2.5	32.96	755	94.3	112.5
Nov.	151.3	2.6	32.77	802	91.7	114.3
Dec.	151.9	3.0	32.91	801	92.9	113.8
1989:						
Jan.	152.1	2.8	32.95	880	95.2	111.6
Feb.	152.0	2.1	32.75	742	98.7	113.0
Mar.	153.0	3.1	32.81	782	98.5	114.6
Apr.	154.0	3.9	33.07	766	102.5	113.1
May	154.3	3.7	32.75	810	108.0	114.8
June	154.5	3.4	32.76	838	111.6	113.6
July	155.6	4.2	33.03	780	116.5	112.7
Aug.	155.8	3.9	32.72	779	121.9	114.8
Sept.	156.2	3.8	32.81	819	122.1	113.6
Oct.	156.8	4.0	32.95	809	122.6	113.0
Nov.	156.1	2.6	32.74	717	120.1	114.1
Dec.	155.6	1.5	32.73	636	120.6	112.6
1990:						
Jan.	156.7	2.4	32.69	785	116.5	114.9
Feb.	156.7r	2.0r	32.81	651	112.1	115.4r
Mar.	157.2r	2.1r	32.86	672	114.6	114.5r
Apr.	157.2r	1.7r	32.92r	636	113.8	113.7
May	157.8	2.1	32.82	726	117.3	N.A.

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
Aug.	183.7	3.2	1880.8	1291.4	667.4	108.9
Sept.	184.2	3.2	1886.1	1285.6	673.6	109.2
Oct.	185.7	4.2	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.1	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.6	2.4	1919.9	1318.4	682.5	111.5
June	188.9	3.2	1928.3	1322.9	692.4	112.2
July	190.4	4.2	1936.6	1327.3	702.4	113.2
Aug.	189.7	3.0	1945.0	1333.8	692.2	112.2
Sept.	190.8	3.6	1954.5	1337.7	699.8	112.8
Oct.	192.0	4.2	1964.0	1344.8	705.1	113.6
Nov.	191.8	3.5	1973.5	1350.7	698.2	113.4
Dec.	193.1	4.2	1975.8r	1361.2	707.9	113.9
1990:						
Jan.	192.1	2.6	1978.2r	1349.9r	694.7	114.6
Feb.	192.1r	2.2r	1980.5r	1356.8r	691.0	114.6
Mar.	193.3r	2.9r	---	1363.6r	698.7r	114.9
Apr.	194.8r	3.9r	---	1370.4r	707.2r	115.6r
May	194.0	2.5	---	1374.3	702.6	114.7

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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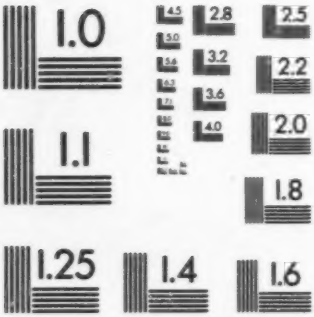
MICROCOPY RESOLUTION TEST CHART

(ANSI and ISO TEST CHART No. 2)



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C I B C R

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

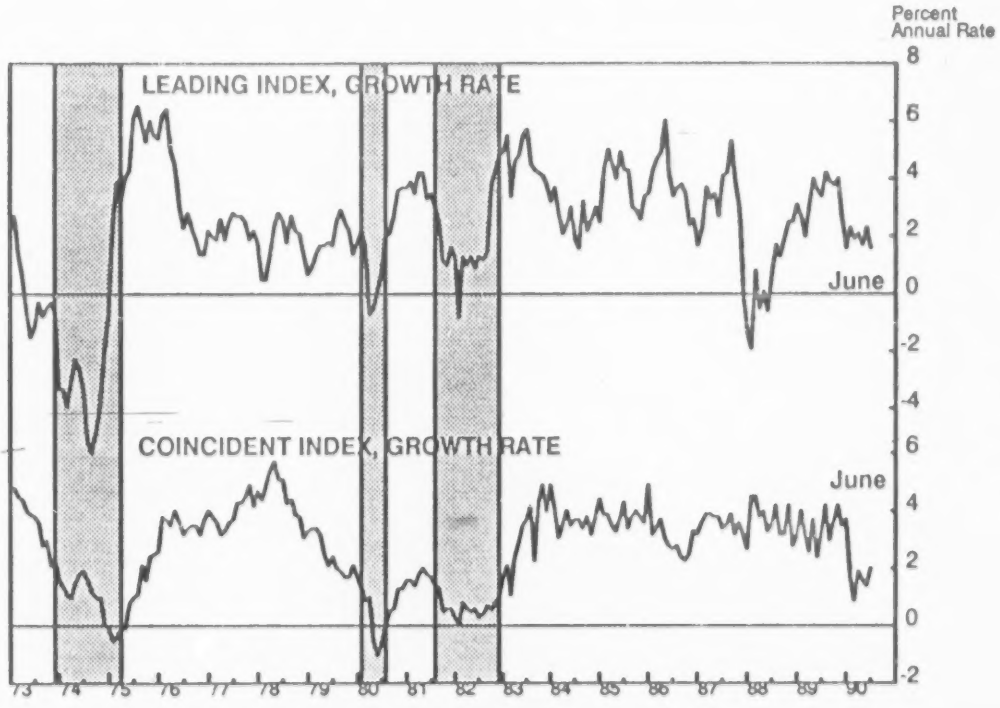
Dr. Geoffrey H. Moore, Director

July 1990

SERVICES LEADING INDEX DROPS

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, fell from a revised 158.0 in May to 157.7 in June pulling its annualized growth rate down from a revised 2.3 percent in May to 1.6 in June. The drop was caused by declines in construction contracts for commercial buildings and in the profit margin in services series, offset in part by a rise in service sector stock prices.

Meanwhile, the coincident index of service sector activity rose a full point from a revised 192.3 in May to 193.3 in June, raising its annualized growth rate from a revised 1.4 in May to 2.0% in June. The index was pushed up by rises in personal consumption expenditures, labor income and employee hours in the service sector.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1988:						
Sept.	150.8	2.0r	32.88	790r	91.0	113.4
Oct.	151.2	2.5	32.96	756r	94.3	112.5
Nov.	151.3	2.5r	32.77	802	91.7	114.3
Dec.	152.0r	3.1r	32.91	806r	92.9	113.8
1989:						
Jan.	152.1	2.7r	32.95	870r	95.2	111.6
Feb.	151.9r	2.0r	32.75	723r	98.7	113.0
Mar.	153.0	3.1	32.81	788r	98.5	114.6
Apr.	154.1r	4.0r	33.07	782r	102.5	113.1
May	154.2r	3.6r	32.75	799r	108.0	114.8
June	154.5	3.4	32.76	840r	111.6	113.6
July	155.6	4.2	33.03	781r	116.5	112.7
Aug.	155.8	3.9	32.72	780r	121.9	114.8
Sept.	156.2	3.8	32.81	820r	122.1	113.6
Oct.	156.8	4.0	32.95	810r	122.6	113.0
Nov.	156.1	2.6	32.74	717	120.1	114.1
Dec.	155.7r	1.6r	32.73	640r	120.6	112.6
1990:						
Jan.	156.6r	2.3r	32.69	775r	116.5	114.9
Feb.	156.6r	1.9r	32.81	632r	112.1	115.4
Mar.	157.2r	2.1	32.86	677r	114.6	114.5
Apr.	157.2	1.7	32.92	652r	113.8	113.7
May	158.0r	2.3r	32.83r	715r	117.3	114.7
June	157.7	1.6	32.84	601	119.2	113.8

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1988:						
Sept.	184.2	3.2	1886.1	1285.6	673.6	109.2
Oct.	185.7	4.2	1891.4	1297.5	680.3	110.3
Nov.	184.9	2.8	1896.7	1292.6	672.6	110.0
Dec.	185.8	3.1	1899.5	1295.5	678.5	110.8
1989:						
Jan.	187.2	4.0	1902.3	1297.1	693.2	111.5
Feb.	187.0	3.2	1905.1	1311.7	683.7	111.2
Mar.	186.8	2.6	1910.0	1311.2	679.9	111.2
Apr.	188.4	3.7	1915.0	1315.7	690.5	112.5
May	187.6	2.4	1919.9	1318.4	682.5	111.5
June	188.9	3.2	1928.3	1322.9	692.4	112.2
July	190.4	4.2	1936.6	1327.3	702.4	113.2
Aug.	189.7	3.0	1945.0	1333.8	692.2	112.2
Sept.	190.8	3.6	1954.5	1337.7	699.8	112.8
Oct.	192.0	4.2	1964.0	1344.8	705.1	113.6
Nov.	191.8	3.5	1973.5	1350.7	698.2	113.4
Dec.	192.6r	3.7r	1956.1r	1361.2	707.9	113.9
1990:						
Jan.	192.2r	1.7r	1938.7r	1349.9	694.7	114.6
Feb.	190.7r	0.9r	1921.3r	1356.8	691.0	114.6
Mar.	192.0r	1.9r	1937.0	1363.6	698.7	114.9
Apr.	192.2r	1.6r	1952.7	1336.8r	707.5r	115.5r
May	192.3r	1.4r	1968.4	1342.9r	703.8r	115.1r
June	193.3	2.0	---	1346.7	710.0	115.4

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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C I B C R

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

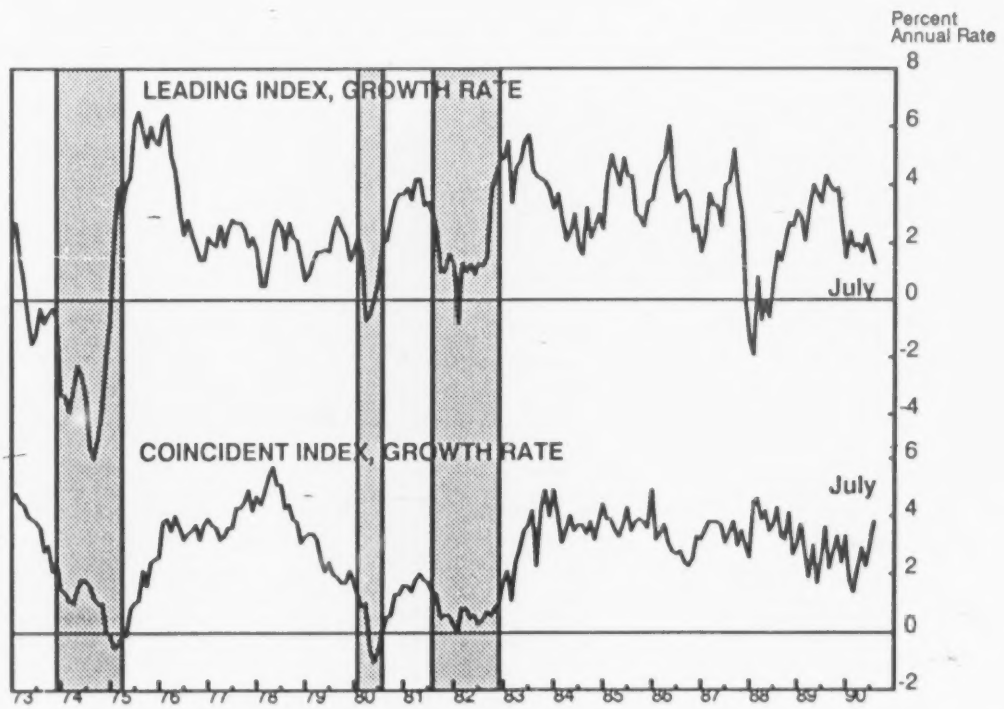
Dr. Geoffrey H. Moore, Director

August 1990

SERVICES LEADING INDEX SLIPS AGAIN

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research, fell from a revised 157.8 in June to 157.7 in July, reducing its annualized growth rate from a revised 1.8% in June to 1.3% in July. The decline was caused by drops in construction contracts for commercial buildings and in profit margins and stock prices in services, offset in part by a rise in the average workweek in the service sector.

The coincident index of service sector activity, however, has not yet started to reflect this weakness in the leading index, and rose from a revised 193.2 in June to 194.5 in July, raising its annualized growth rate from a revised 3.0% in June to 3.8% in July. The index was pushed up by rises in personal consumption expenditures, labor income and employee hours in the service sector.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1989:						
Jan.	152.1	2.9r	32.95	886r	95.2	111.4r
Feb.	151.9	2.1r	32.75	730r	98.7	112.8r
Mar.	153.0	3.2	32.81	783r	98.5	114.4r
Apr.	154.0r	4.0	33.07	772r	102.5	112.9r
May	154.2	3.7r	32.75	806r	108.0	114.6r
June	154.5	3.4	32.76	840	111.6	113.4r
July	155.6	4.3r	33.03	779r	116.5	112.4r
Aug.	155.8	4.0r	32.72	778r	121.9	114.6r
Sept.	156.1r	3.8	32.81	818r	122.1	113.4r
Oct.	156.7r	3.9r	32.95	808r	122.6	112.9r
Nov.	156.1	2.6	32.74	717	120.1	114.1
Dec.	155.6r	1.5r	32.73	638r	120.6	112.6
1990:						
Jan.	156.6	2.4r	32.69	791r	116.5	114.7r
Feb.	156.6	1.9	32.81	639r	112.1	115.3r
Mar.	157.1r	2.0r	32.86	673r	114.6	114.4r
Apr.	157.2	1.7	32.92	643r	113.8	113.6r
May	157.9r	2.3	32.80r	721r	117.3	114.6r
June	157.8r	1.8r	32.88r	604r	121.2r	113.3r
July	157.7	1.3	33.01	522	118.5	112.2

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1989:						
Jan.	186.8r	3.7r	1895.0r	1289.8r	693.2	111.5
Feb.	186.5r	2.8r	1896.6r	1301.5r	683.7	111.2
Mar.	186.0r	1.9r	1898.6r	1296.2r	679.9	111.2
Apr.	187.5r	3.0r	1900.5r	1301.9r	690.5	112.5
May	186.6r	1.7r	1902.5r	1301.5r	682.5	111.5
June	187.8r	2.5r	1909.5r	1304.0r	692.4	112.2
July	189.3r	3.6r	1916.5r	1311.7r	702.4	113.2
Aug.	188.4r	2.2r	1923.5r	1313.6r	692.2	112.2
Sept.	189.4r	2.8r	1928.9r	1316.2r	699.8	112.8
Oct.	190.3r	3.3r	1934.3r	1319.3r	705.1	113.6
Nov.	189.8r	2.4r	1939.7r	1318.4r	698.2	113.4
Dec.	191.2r	3.3r	1941.0r	1333.7r	707.9	113.9
1990:						
Jan.	190.1r	1.8r	1942.4r	1318.8r	694.7	114.6
Feb.	190.0r	1.4r	1943.7r	1323.2r	691.0	114.6
Mar.	191.1r	2.2r	1948.1r	1330.5r	698.7	114.9
Apr.	192.2	2.9r	1952.4r	1336.8	707.5	115.5
May	192.0r	2.3r	1956.8r	1341.1r	703.8	115.0r
June	193.2r	3.0r	---	1344.9r	712.2r	115.5r
July	194.5	3.8	---	1347.9	720.1	116.3

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Cols. 1, 2, 4 and 6 are revised because of revisions in Profit Margins, and revised seasonal adjustment for Construction Contracts.

Cols. 7, 8, 9 and 10 are revised because of revisions in Services Output and in Personal Consumption Expenditures.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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C I B C R

SERVICE SECTOR INDICATORS

Center for International Business Cycle Research
Columbia University Business School, New York, New York 10027 (212) 280-2916

Dr. Geoffrey H. Moore, Director

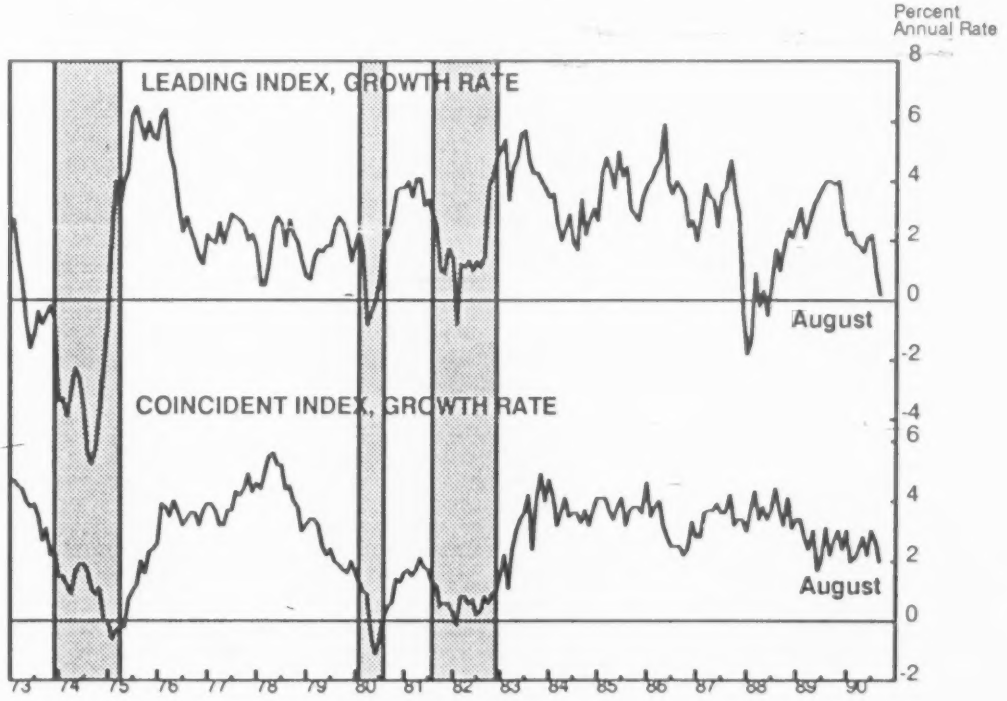
September 1990

SERVICE SECTOR INDEXES FALL

The leading index of service sector activity, compiled by the Columbia Business School's Center for International Business Cycle Research (CIBCR), fell from a revised 157.1 in July to 156.6 in August, lowering its smoothed annualized growth rate from a revised 1.0% in July to 0.2% in August. The index was pulled down by a plunge in stock prices in services and a fall in the average workweek in services, offset in part by rises in construction contacts for commercial buildings and profit margins in the service sector.

CIBCR's coincident index of service sector activity also fell, from a revised 193.3 in July to 192.9 in August, pulling its smoothed annualized growth rate down from a revised 2.7% in July to 2.0% in August. The index was pulled down by a drop in services labor income, marginally offset by small rises in personal consumption expenditures and employee hours in services.

Given the continuing decline in the growth rate of the services leading index from its October 1989 peak, a slowdown in the growth of services activity appears likely at this point.



Shaded areas represent business cycle recessions.

LEADING INDEX OF SERVICES, AND COMPONENTS

	Leading Index* (1967=100)	Leading Index Growth Rate (%)	Average Workweek, Services (hours)	Construction Contracts, Commercial Buildings (mil. sq. ft., ann. rate)	S&P Stock Price Index, Services, (Mar. 87=100)	Index of Profit Margins, Services (1982=100)
	1.	2.	3.	4.	5.	6.
1989:						
Jan.	152.1	3.1r	32.91r	886	95.2	112.5r
Feb.	151.7r	2.1	32.71r	730	98.7	113.1r
Mar.	152.3r	2.6r	32.74r	783	98.5	113.6r
Apr.	153.1r	3.2r	32.87r	772	102.5	113.0r
May	153.7r	3.5r	32.70r	806	108.0	114.3r
June	154.4r	3.8r	32.71r	840	111.6	114.3r
July	155.0r	4.0r	32.80r	779	116.5	113.7r
Aug.	155.4r	4.0	32.67r	778	121.9	114.6
Sept.	155.8r	3.9r	32.74r	818	122.1	113.8r
Oct.	156.3r	4.0r	32.81r	808	122.6	113.8r
Nov.	155.8r	2.8r	32.69r	717	120.1	114.2r
Dec.	155.7r	2.2r	32.69r	638	120.6	113.8r
1990:						
Jan.	156.2r	2.3r	32.61r	810r	116.5	114.6r
Feb.	156.2r	1.9	32.74r	731r	112.1	114.2r
Mar.	156.5r	1.8r	32.76r	690r	114.6	113.8r
Apr.	156.7r	1.6r	32.81r	655r	113.8	113.9r
May	157.4r	2.1r	32.76r	712r	117.3	114.4r
June	157.8	2.2r	32.83r	658r	121.2	113.8r
July	157.1r	1.0r	32.78r	519r	118.5	113.8r
Aug.	156.6	0.2	32.72	558	106.0	114.4

COINCIDENT INDEX OF SERVICES, AND COMPONENTS

	Coincident Index* (1967=100)	Coincident Index Growth Rate (%)	Services Output, GNP (bil. 1982$, ann. rate)	Services, Personal Consumption Expenditures (bil. 1982$, ann. rate)	Services Labor Income (bil. 1982-84$ ann. rate)	Service Employee Hours (bil., ann. rate)
	7.	8.	9.	10.	11.	12.
1989:						
Jan.	186.4r	3.4r	1895.0	1289.8	686.2r	111.5
Feb.	186.4r	2.8	1896.6	1301.5	682.0r	111.2
Mar.	186.4r	2.4r	1898.6	1296.2	684.7r	111.2
Apr.	187.5	3.0	1900.5	1301.9	689.5r	112.5
May	186.7r	1.7	1902.5	1301.5	684.2r	111.5
June	187.5r	2.1r	1909.5	1304.0	687.0r	112.2
July	188.8r	3.1r	1916.5	1311.7	694.4r	113.2
Aug.	188.4	2.2	1923.5	1313.6	691.8r	112.2
Sept.	189.2r	2.7r	1928.9	1316.2	696.8r	112.8
Oct.	190.0r	3.0r	1934.3	1319.3	699.6r	113.6
Nov.	189.8	2.4	1939.7	1318.4	697.7r	113.4
Dec.	190.8r	3.0r	1941.0	1333.7	700.4r	113.9
1990:						
Jan.	190.2r	2.0r	1942.4	1318.8	695.5r	114.6
Feb.	190.6r	2.1r	1943.7	1323.2	697.6r	114.6
Mar.	191.3r	2.4r	1946.6r	1330.5	702.2r	114.9
Apr.	192.1r	2.8r	1949.6r	1336.9r	705.5r	115.5
May	191.9r	2.2r	1952.5r	1336.6r	705.5r	115.0
June	193.1r	3.0	---	1349.1r	707.7r	115.8r
July	193.3r	2.7r	---	1353.5r	708.9r	115.6r
Aug.	192.9	2.0	---	1354.7	703.2	115.7

Note: Cols. 2 and 8. The growth rates are six-month smoothed percent changes at annual rate, based on the ratio of the current month's index to the average for the preceding twelve months.

r = revised.

Cols. 1, 2, 3, 4 and 6 are revised because of revisions in Average Workweek, Construction Contracts, and Profit Margins.

Cols. 7, 8 and 11 are revised because of revisions in Labor Income.

Sources: 3. Bureau of Labor Statistics, Production and non-supervisory workers.

4. McGraw-Hill Company, F.W. Dodge Division. Seasonally adjusted by CIBCR.

5. Standard & Poor's Corporation indexes for 13 service industries, compiled by CIBCR.

6. This series is constructed by CIBCR using the price deflator for services consumption, labor income, and an experimental monthly services output index developed by the Federal Reserve Board.

9, 10. Department of Commerce, Bureau of Economic Analysis. Quarterly data for output are interpolated by CIBCR.

11. Bureau of Labor Statistics. Payroll index, 1977 = 100, converted to 1982-84 dollars by CIBCR, using CPI, All Urban Consumers, seasonally adjusted.

12. Bureau of Labor Statistics, all employees.

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